



**CITY OF SCOTTSDALE  
TOURISM DEVELOPMENT COMMISSION  
REGULAR MEETING**

**Tuesday, August 18, 2015**

**Kiva Forum – City Hall  
3939 N. Drinkwater Boulevard  
Scottsdale, Arizona 85251  
APPROVED MINUTES**

**PRESENT:** David Scholefield, Chairman  
Ren Hirose, Vice-Chairman  
Ace Bailey  
Carl Grupp  
Camille Hill  
Robert McCreary

**ABSENT:** Linda Dillenbeck

**STAFF:** Steve Geiogamah  
Holli Shannon  
Sharon Cini  
Brian Dygert  
Kroy Ekblaw  
Rose Rimsnider  
Brent Stockwell  
Cheryl Sumners

**GUESTS:** Rachel Sacco, SCVB  
Rachel Pearson, SCVB  
Caroline Stoeckel, SCVB

**1. Call to Order/Roll Call**

Noting the presence of a quorum, Chairman Scholefield called the regular meeting of the Scottsdale Tourism Development Commission to order at 8:00 a.m.

**2. Approval of Minutes**

- June 16, 2015 Regular Meeting

**COMMISSIONER BAILEY MOVED TO APPROVE THE MINUTES OF THE JUNE 16, 2015 REGULAR MEETING AS PRESENTED. COMMISSIONER HIROSE SECONDED. THE MOTION CARRIED BY A VOTE OF SIX (6) TO ZERO (0). COMMISSIONER DILLENBECK WAS ABSENT.**

**3. Manager Reports**

**a. Staff Bed-Tax Collection Report**

Mr. Geiogamah reported that bed tax revenue was up 12% for the last fiscal year. Sales tax on hotel/motel was up 7%. Miscellaneous retail sales tax was up 5%, and restaurant was up 10%. For the first month of the new fiscal year, the bed tax is trending down by 2%. The miscellaneous retail sales tax indicates a 22% increase, but this is due in part to an anomaly related to one particular sector.

Vice Chairman Hirose inquired whether any collections for room revenue were missing. Mr. Geiogamah explained that the numbers could change, but they are probably pretty close to the actual numbers. Commissioner Grupp suggested that the overall room inventory might have changed since last year. Mr. Geiogamah said there were about 9,300 rooms in Scottsdale last year. Close to 400 rooms were lost in FY2014. Chairman Scholefield requested a summary of inventory changes compared to the previous year. He noted that Scottsdale Conference Resort is closed for 90 days for renovations, which would impact June through August numbers.

**b. Bed Tax Proforma**

Mr. Geiogamah noted some recent changes to the proforma. A little over \$600,000 in additional funds has been issued to the SCVB for the fiscal year, compared to the contract budget. Chairman Scholefield noted that the first year of funding for the PRCA Rodeo does not appear on the proforma. Mr. Geiogamah explained that it is listed under event retention and development. Chairman Scholefield inquired about the amount expended so far on the Tourism Strategic Plan. Mr. Geiogamah said the final numbers are still being adjusted, but are anticipated at approximately \$150,000. The actual numbers will be included on the updated proforma. The Tourism Advisory Task Force budget still has a substantial amount of money in it.

Mr. Geiogamah noted that potential projects for future funding consideration include the Desert Discovery Center, the Arizona Central Project, and the Bed Tax Stabilization Fund.

**c. Smith Travel Report**

Mr. Geiogamah presented STR numbers through the month of June. Occupancy was up 1.9% for the year. Average daily rate is up 14%, and revpar was up 16.1%.

**d. Program Updates**

Mr. Geiogamah reported that the event working group met last month and determined their first funding allocations for the year. There were seven requests for Community Event Funding, one for the Matching Event Advertising Fund, and none so far for the Venue Fee Program. Both the Parada del Sol parade and rodeo qualified for funding in excess of \$15,000. Vice Chairman Hirose said it was encouraging to see more community events, and all were very well vetted against the criteria.

Mr. Geiogamah reviewed the information provided in the welcome packet provided to event producers and anyone inquiring about the City's Tourism Program. It includes information on venues, tourism programs, downtown Scottsdale, and City communication tools.

City Council will consider the College Football Championship Game on the August 25 consent agenda. The Special Event Ordinance will move forward potentially on August 31. An update on the RFP process for the Desert Discovery Center is being presented on August 31, but no funding requests are moving forward at this time.

#### **4. Unity Pledge - Ordinance**

Brent Stockwell said the Unity Pledge has returned to the TDC after first being presented at a meeting last year. Unity Pledge is a regional effort to advance equality in the workplace for LGBT citizens in Arizona. City Council passed it last fall, and requested that the business community and citizens endorse it as well.

Sharon Cini, Diversity Liaison, said the City of Scottsdale has identified the goals of becoming a diverse and inclusive organization, and to have a workforce that is skilled at working inclusively and respectfully with all citizens. The Human Relations Commission unanimously supported the Unity Pledge. Once City Council signed the pledge on August 25, 2014, they decided to encourage a proactive, voluntary mechanism for businesses, individuals or organizations to sign as a public commitment. The key message is that Scottsdale is an open and welcoming community that encourages a commitment to equality. The TDC could sign the pledge as a group or as individual members of the Commission

Ms. Cini explained that pledge activities include a letter from Mayor Lane and City Council in the City water bill. Staff has received both positive and negative feedback to the letter. Unity rack cards are made available at locations throughout the City. The City also makes window clings available to businesses that have signed the pledge. The Office of Communication is highlighting business signees on Twitter and Facebook.

Ms. Cini said the outreach program will continue to be rolled out as new signees join the effort, and staff continues to field inquiries and record opinions from the public. In September, the information will be compiled and presented to City Council. So far, 232 Scottsdale businesses have signed, as have 243 individuals. Businesses have chosen to sign the pledge out of respect to people of different backgrounds and cultural perspectives, and to ensure that all Arizonans are treated equally. It is a natural step for many businesses that have diversity as part of their core. No businesses have expressed opposition to the pledge.

Ms. Cini said the Unity Pledge is good for business. Smart businesses value diversity and know they have a responsibility to treat all people with dignity and respect. Businesses and individuals choose communities based upon their openness, and this effort could contribute to economic success as top talent is attracted and retained. It could promote Scottsdale's image as a forward-thinking, inclusive community.

By September, the results of the outreach effort will have been compiled along with an interpretation of the data. From there, City Council will receive a presentation and will make a determination on next steps. Council could decide to continue the discussion in a work session, or could pursue a possible ordinance.

Chairman Scholefield requested a comparison of Scottsdale to other cities. Ms. Cini explained that several cities in Arizona have already signed the pledge and completed non-discrimination laws, including Phoenix, Tempe, Flagstaff, and Tucson. Mesa, Sedona, and Glendale are considering non-discrimination ordinances. Many cities and counties across the nation have already adopted ordinances.

Chairman Scholefield inquired whether any organization is scoring communities based on their support or lack of support for this issue. Ms. Cini responded that the Scottsdale was scored in the Municipality Equality Index by the Human Relations Campaign in Washington D.C. Scottsdale's first score in 2014 was 23 out of a possible 100. Since then, two LGBT liaisons were appointed by the City to enact measures that increased the City's score to 65. This year, the criteria was adjusted to place a greater emphasis on non-discrimination ordinances, and as a result, Scottsdale's score dropped to 51. Corporations do look at equality indexes when comparing communities they do business in. She noted that Tempe and Phoenix both scored 100.

Vice Chairman Hirose asked about the next steps. Ms. Cini said members of the LGBT community know that they could be discriminated against if they move to a city that does not offer protections. There have been no reports of businesses in Scottsdale discriminating against members of the LGBT community, but it could happen. An ordinance would ensure that there is an avenue for citizens to file a complaint if discrimination occurs. Vice Chairman Hirose inquired about plans to let businesses know that Scottsdale is being proactive. Ms. Cini said that signing the Unity Pledge without offering legal protections might not be viewed as good enough for a company.

Commissioner Hill inquired about typical punishments for companies that have been found to violate non-discrimination ordinances. Ms. Cini responded that fines could start at \$500 or more, and increase for repeated misdemeanors. Citizens could file police complaints and the Diversity Office reviews any fact-based complaints that are filed with them directly. Matters are settled in the court. The City has not yet developed an ordinance.

**COMMISSIONER BAILEY MOVED TO SUPPORT THE UNITY PLEDGE, ESPECIALLY IF IT LEADS TO A CITY ORDINANCE. COMMISSIONER GRUPP SECONDED. THE MOTION CARRIED BY A VOTE OF SIX (6) TO ZERO (0). COMMISSIONER DILLENBECK WAS ABSENT.**

**5. Scottsdale Sonoran Preserve – Tonto National Forest Jeep Tours**

Kroy Ekblaw, Executive Assistant, Strategic Projects, provided an update on jeep tours. The Tonto National Forest sent out a letter identifying the companies and areas of outfitting that were selected for permits. Of the four companies that used to operate in the Preserve, one is no longer in business, one is already operating in Tonto, and one chose not to submit. The fourth company, Arizona Desert Events (ADE), submitted a permit and was selected. The process is still ongoing, and TNF must still decide in particular on the actual location of the trails. ADE has expressed their frustration with the process, and have shared their concerns about the timeline, and the route they could ultimately get.

Chairman Scholefield requested regular updates as the process continues.

**6. FY2014/15 Scottsdale Convention and Visitors Bureau Year-end Performance Measures Report**

Rachel Pearson, SCVB, provided an update on the just concluded fiscal year. All performance measures were met or exceeded. Every year the SCVB looks to produce as big a return on the community's investment as possible. For every dollar invested in the organization, \$34 was returned to the community in the form of bookings and converted visitors derived from the SCVB marketing and sales effort. This represents a 17% increase over the previous year. The fourth quarter saw several major fairs and two big trade shows that should result in big leads. The next quarter will focus on the fall marketing campaign and the start of the holiday campaign rollout. The Annual Report will be released next month.

**7. City Event Funding Program**

Steve Geiogamah said staff is continuing to make enhancements to the funding program. The first consideration is the allocation of bed tax funds to support future mega events. The second is to enhance the event program seasonality requirements. The third is to continue research on the possibility of using bed tax to support the group meetings program. Vice Chair Hirose suggested more frequent meetings with event producers to encourage better communications. Mr. Geiogamah said the feedback from the producers on the last meeting was positive.

**8. Public Comment**

There were no public comments.

**9. Identification of Future Agenda Items**

Mr. Geiogamah stated that the next meeting is scheduled for September 15. The agenda will include presentations on the Bed Tax Stabilization Fund, project prioritization, and the Food and Wine Expo proposal. A future meeting will include the

Webb Report related to event development, and research received from Longwoods. The Baseball Museum presentation will occur in October.

Vice Chairman Hirose requested a report on any additional highlights from the SCVB that might emerge from their Annual Meeting.

### **Adjournment**

The meeting adjourned at 8:59 a.m.

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